GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:784
ANSWERED ON:07.02.2017
Closure of HMT Units
Vichare Shri Rajan Baburao

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Government has decided to close down the three unviable HMT Units and if so, the details thereof;
(b) whether the Government has also decided to stop manufacturing watches and if so, the details thereof;
(c) whether the employees of the three unviable units of HMT are likely to be offered an attractive Voluntary Retirement Scheme (VRS) linked to 2007 pay scales; and
(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI BABUL SUPRIYO)

(a): Yes Madam. The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 6th January 2016 has approved the closure of HMT Watches Limited, HMT Chinar Watches Limited and HMT Bearings Limited and relieving all the employees in terms of approved Roadmap for CPSEs under DHI by offering an attractive VRS package to willing employees and by retrenchment under Industrial Dispute Act, 1947 of those not opting for VRS.
All employees of HMT Chinar Watches Limited and HMT Bearings Limited as well as, 813 employees of HMT Watches Limited who opted for VRS have been relieved and compensation paid.

(b): Yes Madam. The manufacturing of watches at HMT Watches Limited and HMT Chinar Watches Limited has been stopped.

(c) & (d): Yes Madam. All employees of HMT Watches Limited, HMT Chinar Watches Limited and HMT Bearings Limited have been offered attractive Voluntary Retirement Scheme (VRS) package on 2007 notional pay scale (as against salaries in 1992 pay scales being paid to them) with gratuity and leave encashment also at 2007 notional pay scales, in relaxation of DPE guidelines.

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